

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
COUNTY OF SUSSEX
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
COUNTY OF SUSSEX
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015
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Mount Arlington Corporate Center
200 Valley Road, Suite 300
Mt. Arlington, NJ 07856
973-328-1825 | 973-328-0507 Fax
Lawrence Business Center
11 Lawrence Road
Newton, NJ 07860
973-383-6699 | 973-383-6555 Fax

November 20, 2015

The Honorable President and Members
of the Board of Education
Sussex-Wantage Regional School District
County of Sussex, NJ

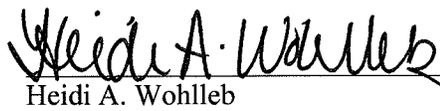
We have audited, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Board of Education of the Sussex-Wantage Regional School District in the County of Sussex for the year ended June 30, 2015, and have issued our report thereon dated November 20, 2015.

As part of our audit, we performed procedures required by the New Jersey Department of Education, and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents. This letter does not affect our report dated November 20, 2015, on the financial statements of the Board.

We will review the status of the comments during our next audit engagement. We have already discussed these comments and suggestions with various management personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This report is intended for the information of the Sussex-Wantage Regional School District's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

NISIVOCCIA LLP


Heidi A. Wohlleb
Licensed Public School Accountant #2140
Certified Public Accountant

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Moneys, the activities of the Board of Education, the records of the various funds under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

Multi-peril insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the District's CAFR.

Officials in Office and Surety Bonds

<u>Name</u>	<u>Position</u>	<u>Coverage</u>
Grant W. Rome	Treasurer of School Monies	\$ 250,000
Christina Riker	Business Administrator/Board Secretary	50,000

The District has Employee Dishonesty and Faithful Performance coverage through the School Alliance Insurance Fund for employees not separately bonded as detailed on Exhibit J-20 of the CAFR.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid on a test basis, during the period under review indicated overall compliance with respect to certification or supporting documentation.

Payroll Account

The net salaries of employees of the Board were deposited in the Payroll Account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the Payroll Agency Account.

All payrolls tested were approved by the Superintendent and certified by the President of the Board, the School Business Administrator, and the Superintendent.

Salary withholdings were promptly remitted to the proper agencies, including health benefits withholding due to the General Fund.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

Payroll Account (Cont'd)

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendent, and business administrator) to the NJ Department of Treasury was filed in a timely manner.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made on a test basis as of June 30, for proper classification of orders as reserve for encumbrances and accounts payable.

Classification of Expenditures – General and Administrative

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23A-16.2(f) as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.2. Overall compliance was noted.

Board Secretary's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Board Secretary's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures we have no comments except as noted herein.

Treasurer's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Treasurer's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments except as noted below.

Finding:

The bank reconciliations for the various Funds/accounts included in the Treasurer's report at June 30, 2015 contain a number of older reconciling items. As the District has already made an effort to resolve these reconciling items in the current fiscal year and will ensure that all reconciling items are resolved in a timely manner in the future, no formal recommendation is judged to be warranted.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015
 (Continued)

Financial Planning, Accounting and Reporting (Cont'd)

No Child Left Behind (N.C.L.B.)

The N.C.L.B. financial exhibits are contained herein within the Special Revenue Section of the District's CAFR. This section of the CAFR documents the financial position pertaining to projects under Title I and Title IIA of the No Child Left Behind Act.

The study of compliance for the N.C.L.B. did not indicate any area of noncompliance except as noted in the below section on Other Special Federal and/or Special Projects.

Other Special Federal and/or State Projects

The financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the aforementioned special projects.

The District's Special Projects were approved as listed on Schedule A and Schedule B located in the CAFR.

Our audit of the federal and state funds on a test basis indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

Findings:

- 1) A review was completed by the State of New Jersey Department of Education, Office of Fiscal Accountability and Compliance (the "State") for the N.C.L.B., I.D.E.A. Basic and Preschool, and Race to the Top grant programs for the period July 1, 2012 through March 31, 2014. The District received the consolidating monitoring report in August 2014 and the District implemented a state approved corrective action plan. In December 2014, the State conducted a follow-up review and determined that the District had successfully implemented the corrective action plan.
- 2) As of June 30, 2015, there appears to be a \$54,081 unearned revenue balance remaining on the N.C.L.B. Title I grant and a receivable balance of \$23,986 on the I.D.E.A. Part B. Basic grant for the grant period of September 1, 2012 thru August 31, 2013.

Recommendation:

It is recommended that the District review the balances remaining on the N.C.L.B. Title I grant and the I.D.E.A. Part B. Basic grant for the grant period of September 1, 2012 thru August 31, 2013 to ensure the balances are valid and/or collectible as applicable and that any required adjustments to the final expenditure reports or accounting records are made.

Management's Response:

The District has already begun reviewing this balances and will make any required revisions to the final expenditure reports or accounting records.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015
 (Continued)

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly reimbursements filed with the Department of Education for District employees who are members of the Teachers' Pension and Annuity Fund. No exceptions were noted.

T.P.A.F. Reimbursement to the State for Federal Salary Expenditures

The T.P.A.F. Reimbursement to the State for Federal Salary Expenditures was remitted to the State of New Jersey prior to the required deadline of October 1, 2015. The reimbursement form was reviewed and no exceptions were noted.

Finding:

Due to an oversight, the T.P.A.F. Reimbursement to the State for Federal Salary Expenditures for the fiscal year ended June 30, 2014 was not remitted until August 2015. As the District has implemented procedures to ensure that the reimbursement is filed timely in the future and the reimbursement for the fiscal year ended June 30, 2015 was remitted timely, no formal recommendation is judged to be warranted.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-3 states:

a. "When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by resolution of the Board of Education without public advertising for bids and bidding therefore, except that the Board of Education may adopt a resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L.1971, c. 198 the Board of Education may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Commencing in the fifth year after the year in which P.L.1999, c. 440 takes effect and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the Board of Education is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in N.J.S.A. 18A:18A-2, and shall round the adjustment to the nearest \$1,000. The Governor shall notify all local school districts of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made"

N.J.S.A. 18A:18A-4 states, "Every contract for the provision or performance of any goods or services the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the Board of Education to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law"

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

School Purchasing Programs (Cont'd)

Contracts and Agreements Requiring Advertisement for Bids (Cont'd)

Effective July 1, 2010, the bid thresholds in accordance with N.J.S.A. 18A:18A-3 and 18A:39-3 are \$36,000 (with a Qualified Purchasing Agent) and \$26,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is currently \$18,300.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the contract year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Attorney's opinion should be sought before a commitment is made.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The results of our examination indicated that no individual payments, contracts, or agreements were made "for the performance of any work or the furnishing or hiring of any materials or supplies", in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of N.J.S.A. 18A:18A-4.

Resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 18A:18A-5.

The system of records did not provide for an accumulation of purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained.

School Food Service

The financial transactions and statistical records of the School Food Service Fund were reviewed. The financial accounts, meal count records and eligibility applications were reviewed on a test basis. Food Service accounting records maintained by the District's central administration office were reconciled with the records maintained by the food service management contractor.

The number of meals claimed for reimbursement was compared to sales and meal count records on a test basis. As part of the claims review process, the Edit Check Worksheet was completed. Reimbursement claims were submitted/certified in a timely manner.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served was compared to the number of valid applications on file, times the number of operating days, on a school-by-school basis. The free and reduced price meal policy was reviewed for uniform administration throughout the school system. The required verification procedures for free and reduced price applications were completed and available for review.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015
 (Continued)

School Food Service (Cont'd)

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified on a test basis. Inventory records on food supply items were currently maintained and properly applied in determining the cost of food and supplies used.

The cash disbursements records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the nonprofit status of the School Food Service Fund.

Cash receipts and bank records were reviewed for timely deposit.

The District deposited and expended program monies in accordance with N.J.S.A. 18A:17-34, and 19-1 through 19-4.1. The food service management contract includes an operating results provision which guarantees that the food service program will generate a \$30,000 profit. The operating results provision has been met.

Time sheets and payroll records provided to the District from the Food Service contractor were reviewed on a test basis.

Food Distribution Program commodities were received and a separate inventory was maintained on a first-in, first-out basis.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled "Proprietary Funds", Section G of the CAFR.

The District has a Type 2 SOC1 report (Service Organization Controls Report) of the food service management company on file as required by state requirements.

Finding

Net cash resources exceed three months average expenditures. As the District is already in the process of reviewing the Food Service Fund and determining how it will reduce net cash resources, no formal recommendation is judged to be warranted.

Student Body Activities

In planning and performing our audit of the financial statements of the Board, we considered the condition of the records of the Student Activities Fund for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records.

Finding:

Receipts for the Sussex Middle School student activities account were not always deposited in a timely manner. Also, receipt of goods signatures were not obtained on all vouchers for the Clifton Lawrence and Sussex Middle School student activities accounts.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

Student Body Activities (Cont'd)

Recommendation:

It is recommended that receipts for the Sussex Middle School student activities account are deposited in a timely manner. Also, receipt of goods signatures should be obtained on all vouchers for the Clifton Lawrence and Sussex Middle School student activities accounts.

Management's Response:

The District will make every effort to ensure that receipts for the Sussex Middle School student activities account are deposited in a timely manner and that receipt of goods signatures are obtained on all vouchers for the Clifton Lawrence and Sussex Middle School student activities accounts.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2014 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the disabled, low income and bilingual education students. We also performed a review of the District procedures related to its completion. The information on the A.S.S.A. was compared to the District workpapers with a few minor exceptions. The information that was included on the workpapers was verified on a test basis with a few minor exceptions.

The District maintained workpapers on the prescribed State forms or their equivalent.

The District's written procedures for the recording of student enrollment data appear to be adequate.

Pupil Transportation

Our audit procedures included a test of on-roll status reported on the 2014-2015 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report with minor exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures also included a review of transportation related contracts and purchases. Based on our review, the District complied with proper bidding procedures and award of contracts. No exceptions were noted in our review of transportation related purchases of goods and services.

Facilities and Capital Assets

The District has an active solar panel project which was funded by a contribution from a private source.

Travel Expense and Reimbursement Policy

Travel regulations require each District to adopt a formal policy and procedure pertaining to travel and expense reimbursement for its employees and board members. The regulations include requirements for the District to establish a maximum travel amount for the year and to ensure that the maximum amount is not exceeded. The regulations also require that all travel must be preapproved by the Board of Education and Superintendent and that a brief report detailing the key issues addressed at the travel event must be submitted after the travel event has occurred. Overall compliance was noted in our testing.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

Management Suggestions:

Single Audit

Effective for the fiscal year ended June 30, 2016, there will be significant changes to the Single Audit. These changes include the following:

- An increase in the single audit threshold
- Low risk auditee criteria
- Type A and B threshold
- Coverage requirements for major programs tested for both low risk and non-low risk auditees.

Additionally, the cost principles and administrative requirements such as A-87 have been consolidated under the *OMB Uniform Guidance: Cost Principles, Audit and Administrative Requirements for Federal Awards*. This guidance was effective December 26, 2014 for all new federal awards and for any additional funding for existing awards made after December 26, 2014.

Governmental Accounting Standards Board Statements:

The next Governmental Accounting Standards Board ("GASB") statement which will have a significant impact on the District will be GASB#75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, will be effective for the fiscal year ending June 30, 2018. This standard replaces GASB#45, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. It is similar to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* GASB#68 in that successful implementation of this standard will require the provision of certain key financial and non-financial information from the New Jersey Division of Pensions.

Deferred Compensation Plans

The District has a fiduciary responsibility to its employees related to the deferred compensation plans offered by the District. The District should consider a periodic review of the benefits, features, costs, and performance of its deferred compensation plans and make that information available to employees to assist employees in making suitable choices for investing their retirement funds while fulfilling the District's fiduciary responsibilities.

Independent Contractors vs. Employees

The District should consider reviewing the status of "Independent Contractors" utilized by the District with Internal Revenue Service guidelines for determination of employment status. The IRS has been reviewing employers, including governments, to determine compliance. A proactive approach may help to minimize or eliminate potential penalties related to incorrect employment status determination.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

Management Suggestions (Cont'd)

Surety Bond – Business Administrator

The duties of the Business Administrator have evolved over the last few decades into a position that is responsible for the collection, disbursement, and investment of the School's main funds. At the time of the passage of the statute delineating the duties of the Treasurer of School Monies the aforementioned duties were to be the responsibility of the Treasurer. Also, the statute that established the requirement for the amount of the Treasurer's bond did not contemplate the evolution of the Business Administrator's position. As a result the person most intimately involved in the handling of the main School funds is not required to be bonded in an amount commensurate with the related responsibilities. We suggest that the position of the Business Administrator be bonded in an amount at least equal to the required bond for the Treasurer of School Monies.

Approval in Minutes of Student Activities Disbursements

Consideration should be given to approving student activities disbursements in the minutes.

Confirmation of Payroll Taxes Paid by Payroll Service Provider

Consideration be given to confirming with the applicable states and federal governments that the District's payroll taxes were properly remitted to these government agencies on a regular basis.

Student Activities Accounts:

To properly identify if funds are being turned over and deposited timely, we suggest that the Clifton Lawrence School and Wantage Elementary School fill out a form to properly identify when money is being received and turned over to the main office at the respective school.

Follow-up on Prior Year Recommendations

The prior year recommendation regarding the timely deposit of student activities receipts for the Sussex Middle School and receipt of good signatures on all the vouchers for the Clifton Lawrence and Sussex Middle School has not been resolved and is included as a current year recommendation. The recommendations regarding timely deposits of the Care Program receipts, and also the preparation of the Student Activities Bank Reconciliations for Clifton Lawrence and the Sussex Middle School accounts have been resolved.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 15, 2014

	2015-2016 Application for State School Aid						Sample for Verification					
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Full Day Preschool 4 Years Old	5		5				5		5			
Full Day Kindergarten	104		104				104		104			
Grade One	94		94				94		94			
Grade Two	102		102				102		102			
Grade Three	76		76				76		76			
Grade Four	112		112				112		112			
Grade Five	100		101		1		100		101		1	
Grade Six	97		98		1		97		98		1	
Grade Seven	92		92				92		92			
Grade Eight	130		130				130		130			
Subtotal	912		914		2		912		914		2	
Special Ed - Elementary	140		140				14		14			
Special Ed - Middle School	92		92				9		9			
Subtotal	232		232				23		23			
Totals	1,144		1,146		2		935		937		2	
Percentage Error					0.17%	0.00%					0.21%	0.00%

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 15, 2014

	Private Schools for Disabled				Resident Low Income					
	Reported on A.S.S.A. as Private Schools	Sample for Verification	Sample Verified	Sample Errors	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Kindegarten					26	26		2	2	
Grade One					24	24		2	2	
Grade Two					31	31		3	3	
Grade Three					17	17		2	2	
Grade Four					25	25		2	2	
Grade Five					34	34		3	3	
Grade Six					18	18		1	1	
Grade Seven					16	16		1	1	
Grade Eight					24	24		2	2	
Subtotal					215	215		18	18	
Special Ed - Elementary	1	1	1		39	39		4	4	
Special Ed - Middle School	6	2	2		37	37		3	3	
Subtotal	7	3	3		76	76		7	7	
Totals	7	3	3		291	291		25	25	
Percentage Error				0.00%			0.00%			0.00%

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 15, 2014

	Resident LEP Low Income					
	Reported on A.S.S.A. as LEP Low Income	Reported on Workpapers LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores, Application and Register	Sample Errors
Grade One	1	1		1	1	
Subtotal	1	1		1	1	
Special Ed - Elementary	1	1		1	1	
Subtotal	1	1		1	1	
Totals	<u>2</u>	<u>2</u>		<u>2</u>	<u>2</u>	
Percentage Error			<u>0%</u>			<u>0%</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 15, 2014

	Resident LEP Not Low Income					
	Reported on A.S.S.A. as LEP Not Low Income	Reported on Workpapers LEP Not Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores and Register	Sample Errors
Grade One	2	2		1	1	
Subtotal	2	2		1	1	
Special Education:						
Elementary	1	1		1	1	
Totals	3	3		2	2	
Percentage Error			0.00%			0.00%

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014

Transportation

	<u>Reported on DRTRS by DOE</u>	<u>Reported on DRTRS by District</u>	<u>Errors</u>	<u>Tested</u>	<u>Verified</u>	<u>Errors</u>
Regular - Public Schools	750	730	20	14	14	
Regular - Special Education	198	198		4	4	
Transported - Non Public	66	66		2	2	
AIL - Non Public	23	23		2	2	
Special Needs Public	54	54		2	2	
Special Needs Private	5	5		1	1	
Totals	<u>1,096</u>	<u>1,076</u>	<u>20</u>	<u>25</u>	<u>25</u>	
Percentage Error			<u>1.82%</u>			<u>0.00%</u>

	<u>Reported</u>	<u>Recalculated</u>
Average Mileage - Regular Including Grade PK Students	4.8	4.8
Average Mileage - Regular Excluding Grade PK Students	4.8	4.8
Average Mileage - Special Education with Special Needs	6.1	6.1

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2015

EXCESS SURPLUS CALCULATION

REGULAR DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

2014-2015 Total General Fund Expenditures per the CAFR, Ex. C-1	<u>\$ 24,498,511</u> (B)	
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	<u>\$ -0-</u> (B1a)	
Transfer from Capital Reserve to Capital Projects Fund	<u>\$ -0-</u> (B1b)	
Decreased by:		
On-Behalf TPAF Pension and Social Security	<u>\$ 2,098,166</u> (B2a)	
Assets Acquired Under Capital Leases	<u>\$ -0-</u> (B2b)	
Adjustment for Disallowed Expenditures per S1701	<u>\$ -0-</u> (B2c)	
Adjusted 2014-2015 General Fund Expenditures [(B)+(B1's)-(B2's)]	<u>\$ 22,400,345</u> (B3)	
2% of Adjusted 2014-2015 General Fund Expenditures [(B3) times .02]	<u>\$ 448,007</u> (B4)	
Enter Greater of (B4) or \$250,000	<u>\$ 448,007</u> (B5)	
Increased by: Allowable Adjustment	<u>\$ 57,277</u> (K)	
Maximum Unassigned Fund Balance [(B5)+(K)]		<u>\$ 505,284</u> (M)
<u>SECTION 2</u>		
Total General Fund - Fund Balances @ 6/30/2015 (Per CAFR Budgetary Comparison Schedule C-1)	<u>\$ 4,651,218</u> (C)	
Decreased by:		
Year-End Encumbrances	<u>\$ 693,396</u> (C1)	
Legally Restricted - Designated for Subsequent Year's Expenditures	<u>\$ -0-</u> (C2)	
Excess Surplus - Designated for Subsequent Year's Expenditures	<u>\$ 996,079</u> (C3)	
Other Restricted Fund Balances	<u>\$ 1,250,000</u> (C4)	
Assigned - Designated for Subsequent Year's Expenditures	<u>\$ 22,784</u> (C5)	
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		<u>\$ 1,688,959</u> (U1)

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

SECTION 3

Restricted Fund Balance - Excess Surplus [(U2)-(M)] IF NEGATIVE, ENTER -0- \$ 1,183,675 (E)

Recapitulation of Excess Surplus as of June 30, 2015

Excess Surplus - Designated for Subsequent Year's Expenditures \$ 996,079 (C3)

Excess Surplus [(E)] \$ 1,183,675 (E)

Total [(C3)+(E)] \$ 2,179,754 (D)

Detail of Allowable Adjustments

Impact Aid \$ -0- (H)

Sale and Lease Back \$ -0- (I)

Extraordinary Aid \$ 42,335 (J1)

Additional Nonpublic School Transportation Aid \$ 14,942 (J2)

Total Adjustments ((H)+(I)+(J1)+(J2)) \$ 57,277 (K)

Detail of Other Restricted Fund Balance

Statutory restrictions:

Approved unspent separate proposal \$ -0-

Sale/lease-back reserve \$ -0-

Emergency reserve \$ -0-

Capital reserve \$ 1,250,000

Maintenance reserve \$ -0-

Tuition reserve \$ -0-

School Bus Advertising 50% Fuel Offset Reserve - current year \$ -0-

School Bus Advertising 50% Fuel Offset Reserve - prior year \$ -0-

Other state/governmental mandated reserve \$ -0-

Other Restricted Fund Balance not noted above \$ -0-

Total Other Restricted Fund Balance \$ 1,250,000 (C4)

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
SUMMARY OF RECOMMENDATIONS
FISCAL YEAR ENDED JUNE 30, 2015

It is recommended that:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

The District review the balances remaining on the N.C.L.B. Title I grant and the I.D.E.A. Part B. Basic grant for the grant period of September 1, 2012 thru August 31, 2013 to ensure the balances are valid and/or collectible as applicable and that any required adjustments to the final expenditure reports or accounting records are made.

3. School Purchasing Program

None

4. School Food Service

None

5. Student Body Activities

Receipts for the Sussex Middle School student activities accounts are deposited in a timely manner. Also, receipt of goods signatures should be obtained on all vouchers for the Clifton Lawrence and Sussex Middle School student activities accounts.

7. Application for State School Aid

None

8. Pupil Transportation

None

9. Facilities and Capital Assets

None

10. Status of Prior Year's Recommendations

The prior year recommendation regarding the timely deposit of student activities receipts for the Sussex Middle School and receipt of good signatures on all the vouchers for the Clifton Lawrence and Sussex Middle School has not been resolved and is included as a current year recommendation. The prior year recommendations regarding timely deposits of the Care Program receipts, and also the preparation of the Student Activities Bank Reconciliations for Clifton Lawrence and the Sussex Middle School accounts have been resolved.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT
SUMMARY OF RECOMMENDATIONS
FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

10. Status of Prior Year's Recommendations (Cont'd)

The balances remaining on N.C.L.B. Title I grant and I.D.E.A Part B for the September 1, 2012 thru August 31, 2013 are still in the process of being reviewed and is included in the current year recommendations.